

FPOZ 141477

Washington Merry-go-round

WASHINGTON — President Carter, who did his share of hand-wringing over the wiretapping of the Nixon era, has now found himself in possession of a government handbook on wiretapping.

This handy, easy-to-read manual could instruct any enterprising snoop with a set of tools how to eavesdrop on telephone conversations. The White House is embarrassed. The telephone company is horrified.

Still, the Carter disciples are caught in a dilemma. It seems the taxpayers coughed up \$47,000 for the instructions on how to wiretap.

It is contrary to the president's spirit of candor and sense of economics to deprive the taxpayers of the information they paid for.

The Office of Telecommunications Policy, which paid for the handbook, was all set to release it for the enlightenment of those who might be interested in the refinements of eavesdropping. But the telephone company raised a howl. American Telephone & Telegraph, one source confided, "is scared to death about too many people finding out about this."

The aggrieved phone company, therefore, urgently alerted Vice President Walter Mondale to the danger. AT&T president Charles Brown warned Mondale in a confidential letter that the wiretap manual "tells how to intercept suburban residential telephones, business data communication . . . and the interstate long-distance network . . . It tells the reader how to locate, open, tap into, reseal and rebury our cables for the purpose of intercepting customers' communications."

White House officials, putting discretion ahead of candor, have placed the 13-page, how-to-do-it handbook under lock and key. It is now being handled with the same delicate care as nitroglycerin.

The repercussions, meanwhile, have already reached Capitol Hill. Rep. John Moss, D-Calif., who uncovered the manual, is eager to know more about the government's wiretap ways. Apparently, the government has been so careless about privacy that it planned to publish the wiretapping instructions. Yet Moss has been denied access to the phone records of past intelligence wiretaps by the White House. Congressional investigators suspect that some of these were really Watergate-style political wiretaps.

It remains a matter of dispute, meanwhile, why the wiretapping instructions were written. An official of the Mitre Corporation, which produced the manual, told us: "We were reluctant to produce anything that could be labeled as a cookbook on wiretapping recipes,

but we were asked to do it by the White House."

The White House telecommunications chief, William Thaler, insisted he had informed Mitre explicitly that he didn't want a how-to-do-it book. "There must have been some confusion at the working level," he suggested. Nevertheless, he was ready to release the report until White House science adviser Frank Press urgently intervened.

"This report can lead to much mischief," Press told our associate Howie Kurtz. "The government never should have asked for it." Now White House officials are trying to figure out how to get around the Freedom of Information laws and keep the pamphlet secret.

However, we have obtained a copy of the handbook, which is stamped "Controlled Distribution." We agree with White House aides that it would not be in

the public interest to publish the technical details. But there are some general eavesdropping instructions that are worth printing for their entertainment value.

For example, an "interceptor" who might wish to overhear the telephone conversations in a suburban residence, say, "in Northern Virginia between 6 p.m. and 11 p.m. Monday through Friday" is given 11 steps to take. First, he should "climb pole." Upon this lofty perch, suitable also for peeking into second-story windows, he will find a "terminal enclosure." He is instructed to jiggle the appropriate wires; then a tape recorder is recommended for monitoring the intercepted conversation.

President Carter's admonitions on economy, if not privacy, are reflected in the instructions. To "save tape," the eavesdropper is advised that "the tape could be immediately erased if the conversation was not of interest."

For the more ambitious spy who might wish to intercept microwave radio signals, the instructions recommend that he "acquire the use of a small farm along the route." Then he should "set up radio interception equipment, including a sufficiently large antenna, in a barn to avoid being observed."

PENTAGON PARTY: A large defense contractor is throwing a bash for its Pentagon buddies today in Maryland. Watkins-Johnson and Co. is spending up to \$40,000, our sources say, on an elaborate affair for bigwigs from the Defense Department, CIA and Na-

tional Security Agency.

The brass hats will view the company's new equipment as they munch on hot hors d'oeuvres. The firm has even gotten a one-day liquor license to keep the Pentagon people in high spirits. But the executives aren't just being friendly; their company has been awarded \$9.5 million in defense contracts this year.

Watkins-Johnson charged a token admission price last year to avoid criticism that it was currying favor with its Pentagon benefactors. But a company spokesman wouldn't discuss the affair with us, snorting: "That is our business and no one else's." When our reporter Valerie Strauss asked one official how she could get an invitation, he said, "You have to do business with us."

SUCCESS FORMULA — Many hospitals are being deluged with free bottles of infant formula by the two giant corporations that dominate the market.

Bristol-Myers and Abbott Labs, which sell about 85 percent of all infant formula in the United States, have been sending truckloads of free samples to the nation's larger hospitals to influence new mothers. Admitted a Bristol-Myers spokesman: "Obviously mothers are impressed with a product they receive from a hospital."

But the hospitals are getting so much free formula that they have had to rotate between each company's freebies. So the firm's promotion men, who visit hospitals as often as once a week, have had to offer other inducements, such as free architectural consulting work, symposiums and speakers.

Spokesmen for both firms told our reporter, Warren Fiske, that their promotion practices are a "public service." But they refused to tell us how much they spend on promotion or what other inducements they offer.

Two years ago, however, a small company named Baker Beechnut sued the

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two corporations for unfair competition and antitrust violations. Bristol-Myers and Abbott Labs settled the suit by paying large sums to their tiny rival.

HIDDEN PROFITS—The Federal Trade Commission is quietly trying to crack the corporate wall of secrecy that hides the real profits of many conglomerates.

Our sources say that 98 percent of the financial data for the car rental business, for example, are shielded from federal investigators. The profits of Hertz are buried in the books of RCA; Avis is listed somewhere in ITT's files;

Econo-Car figures are deep in the records of Westinghouse.

The giant corporations can cluster the profits of many subsidiaries in their bottom-line figures. General Motors' "wheeled transport category" includes not only autos but railroad cars, trucks and refrigerators. Such firms as Jif peanut butter, Pringles potato chips and Crisco cooking oil are hidden under Proctor & Gamble's "consumer products" category. The profits for Hostess pastries, meanwhile, are buried in ITT's telephone equipment category.

The FTC is trying to force the big conglomerates to disclose their profits for individual products every year.